

PERFORMANCE MEASUREMENT MATTERS

VOLUME 5, ISSUE 2, Fall 2002

A DEPARTMENT OF MANAGEMENT AND BUDGET PUBLICATION

INSIDE

Fairfax County Hosts Two Renowned PM Experts	1
More on Strategic Planning	2
Schedule Change	2

FAIRFAX COUNTY HOSTS TWO RENOWNED PM EXPERTS

One of the advantages of local government in the Washington, D.C. area is the proximity to nationally known experts. Whereas people from Paducah or Palo Alto must frequently travel great distances to conferences to learn from leaders in the field of performance measurement, we are fortunate to have several in our backyard. It would be hard for someone who has spent any time researching the practice of performance measurement, both in theory and practice, to do so without reading an article or book by Harry Hatry or Joseph Wholey. For decades, these two individuals have done more to advance the case for collecting, analyzing, and using performance data to evaluate programs and make improvements. What Dewey was to the library decimal system or the Wright Brothers were to flight, Hatry and Wholey are names recognized around the world when it comes to performance measurement.

So it was with great anticipation and interest that the Regional Performance Measurement Consortium (RPMC) received a positive response to its invitation to address the group. Fairfax County initiated the RPMC in

1998, with its semiannual meetings attended regularly by local governments including Alexandria, Virginia Beach and the counties of Arlington, Loudoun, Montgomery, and Prince William. The purpose of the consortium is to maintain an ongoing relationship for sharing ideas and practices to help each jurisdiction improve. Fairfax County hosts the meetings, which provide a wonderful opportunity for the County's multi-agency Performance Measurement Team to attend and hear speakers on a variety of topics related to performance and continuous improvement.

The meeting on September 26, 2002 opened with each jurisdiction briefly discussing its approach to performance measurement. As noted at previous meetings, most have a key characteristic or initiative that sets their effort apart from others. In Prince William County, it is

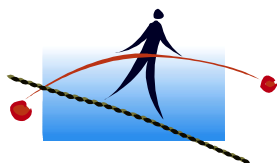
their wholly integrated process, which begins with a citizen survey that drives their strategic plan, which in turn is reflected in their resource allocation through their budget. Finally, Prince William presents the results in a Service Efforts and Accomplishments (SEA) Report in which they also show the results of benchmarking to other comparable jurisdictions. In Montgomery County, the focus has been on rigorous performance measurement by departments, as well as programs within agencies and across departments for countywide initiatives. Like Fairfax County, Montgomery County also uses a family of measures (output, efficiency, service quality, and outcome) to present a balanced picture of performance.

After the RPMC members updated the group on their latest activities, Harry Hatry took the floor. He shared the benefit of his decades of research and study in this area. Mr. Hatry is with the Urban Institute and does extensive consulting for all levels of government including many abroad. Despite his academic background, one of the key points he pragmatically stressed was collecting data in such a way to ensure that *it is useful and is used*. He has long been a

strong proponent of trained observer ratings where individuals (can be local government employees, interns or citizens) are trained and use photographic references to rate such things as the cleanliness of streets or the thoroughness of solid waste collection. While this may have been cumbersome in the past to collect, enter, and analyze data, there are now handheld computers that are programmed for specific ratings to make it easy to collect and download the data. Mr. Hatry offered several examples of jurisdictions using trained observer ratings including New York City and Fort Worth where these efforts have brought data collection and analysis down to the neighborhood level.

Mr. Wholey likewise provided an enlightening presentation. His background includes serving as Director of Strategic Planning for the U.S. General Accounting Office as well as Professor of Public Administration for the University of Southern California. His approach reflected his tradition of offering advice to all levels of government in the U.S. and internationally, particularly his background in strategic planning. Mr. Wholey stated that one of the results of strategic planning is that it gets people to come to agreement on goals and objectives, which lead into the indicators used to measure whether those goals and objectives have been achieved.

Mr. Wholey also made the case for using performance measurement data – not just once a year, but more



“There are many ways of going forward, but only one way of standing still.”

Franklin D. Roosevelt

frequently if you are to gain any benefit from it. He is also in favor of rewards for agencies using performance measurement to improve. Intangible incentives could include regular feedback on program performance, meetings with senior managers, removal of constraints, delegation of authority and flexibility in return for accountability for results. Another interesting idea he offered the group was that learning organizations use multiple feedback loops and a variety of information to drive policy formulation, program improvement, and program redesign. Mr. Wholey stated that performance information could come from:

- Formal performance measurement systems
- Audits
- Case studies
- Benchmarking comparisons
- Basic and applied research
- Program evaluation studies and
- Experiments.

As a long-time expert who has written volumes on program evaluation,

Performance Measurement Matters is published quarterly by the PM Team. Editor: Barbara Emerson; Technical Support: Frann Shurnitski, Department of Management and Budget.

Mr. Wholey also noted the appropriateness of its periodic use in conjunction with performance measurement done on an annual or more frequent basis. While agencies typically use numerical performance measures, they should not overlook peer review and narrative descriptions of what various levels of performance look like (similar to the County's behaviorally anchored rating scales or BARS used in the Pay for Performance system). Evaluating performance in that manner is especially appropriate for organizations involved in scientific or other research when the results are not generally apparent in the first year (or years). Ideas such as this presented the RPMC members with new approaches that may be appropriate in their own situations.

The time flew by much too quickly and the attendees were sorry to see our renowned experts leave in the early afternoon as they both had others to consult with on performance measurement.

SCHEDULE CHANGE

The Brownbag Lunch scheduled for November 7, 2002 has been cancelled. Look for details in the January 2003 issue of *Performance Measurement Matters* for details on the next Brownbag Lunch to be held in February 2003.

MORE ON STRATEGIC PLANNING

An article in the July issue of *Performance Measurement Matters* discussed the necessity of linking strategic plans to performance measures. Otherwise, how would you know if you had accomplished your goals and objectives? Or if you measured performance without a strategic plan, how would you know that you are measuring the right things?

For those embarking on this task throughout agencies, it is important to note that the County Executive has a page on his Infoweb site that addresses Fairfax County's Framework for Excellence (<http://infoweb/LEAD>). This site contains useful information that provides a context as well as schedule and process documents.

The page begins with a message from Tony Griffin about the County's Strategic Thinking and Planning Initiative. Since it is anticipated that agency strategic plans will be prepared with input from all levels of the organization, it is important that everyone have an

understanding of the purpose of this initiative. This website provides that information. There is a link to three PowerPoint presentations including the County's Vision and Values, the Strategic Thinking and Planning Process slide, and background information from a focus group of various County employees on what staff should think about when preparing their strategic plans.

Beginning a process like this can sometimes be a bit intimidating. These documents provide a point of reference on which agencies can start their efforts.

In addition, the Performance Measurement Team is available to assist agency staff in any way as you link your performance measures with your strategic plan. According to the County Executive's agenda, agencies should have agency-wide strategic plans and performance measures for all business areas by mid-June 2003. To do this will require a considerable effort but this website should help you get started.



"You cannot escape the responsibility of tomorrow by evading it today."

Abraham Lincoln

Visit the PM Website:

<http://infoweb/DMB/pfmeasure.htm>

